

## **Secretary of the Navy**

**Interview with Acting Secretary Thomas B. Modly by John  
Batchelor**

**Speaker:  
Thomas B. Modly,  
Acting Secretary of the Navy**

**Interviewer:  
John Batchelor,  
“The John Batchelor Show”**

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ACTING SECRETARY THOMAS B. MODLY: (In progress) – you talk a little bit about that. Obviously, it's the thing that's on everybody's mind right now. We're all concerned about where this – where this is headed.

We have, obviously, been tracking this for several weeks, since January – early January, when we first started becoming aware of it, and have been taking precautions with the fleet specifically in terms of their ability to go in and out of ports. And they need to be out for 14 days before they can go back in anywhere.

We haven't seen any cases in the fleet on any of our deployed forces on ships, so that's a good sign so far. Our bigger concern right now is all the people we have stationed overseas who are on the ground and the people we have here in the United States, as it appears as though the virus is starting to spread across the country. So we're looking through all sorts of scenarios with respect to how we would limit people's movements going forward.

And also we have another big challenge, which is a more pragmatic family challenge, is that a lot of the states are closing down schools, and a lot of both our civilians and uniformed military people are dual working parents with children who are in school all day. So that's going to have implications for us as well in terms of how we can continue the mission. And we're looking at all kinds of alternatives to do that, to include having some of those folks work from home and take advantage of some of the technology tools that we have to do that.

JOHN BATCHELOR: (Off mic.)

SEC. MODLY: Well, I think we have to – we really have to take some time to think about this. And we have the opportunity to take some time to think about it right now because as you may be aware we did a two-carrier purchase last year, which allowed us to purchase CVN-80 and CVN-81, which are the USS Enterprise and the USS Doris Miller, on one contract. And that allows – allowed us to save about \$4 billion and probably more by being able to do those purchases together. It allowed us to do long-lead-time purchases.

What that has given us is given us some breathing room because we don't have to do another carrier decision, to purchase the next one, until about 2027 or 2028. So what I've asked the service to do is to really think hard about what that carrier should be and how does that fit into the future force mix and all the force-mix work that we're doing right now to determine what the future force structure should be. You've heard me talk about this before – whether or not 355 is the right number, is it something more than that. My intuition and analysis shows that it should be more than that. But we have to understand where the carrier fits into that, and I think that's all going to be part of the integrated work that we're doing. We're starting now and we'll continue through the summer.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: Well, I don't have a preconceived notion on that, John. There have been studies that have been done before. There have been people who have opined on this who say we need something in the 70,000-ton range. Our current supercarrier is about 100,000. And

they would argue also that it doesn't need to be nuclear-powered, it can be conventionally-powered. So that's a scenario that we're looking at. And it may end up if we go to smaller carriers we would have a mix of large ones – you know, Ford-type, Nimitz-style carriers – with these smaller ones, these lighter ones that are more specifically mission-tailored to other things at a lower cost. So like I said, I have no preconceived notions on this. I just think that it's time and we have the time to look at it, and we'll see what those studies and those analyses lead us.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: Oh absolutely, because that industrial base is very, very small. And we really only have a couple of shipyards that contribute to that. And as Electric Boat up in Connecticut and Newport News shipbuilding down in – Huntington Ingalls down in Newport News, Virginia, those are the only two yards that really can do that kind of work. So if you stop building large nuclear-powered carriers, the cost and the overhead that is absorbed by that flow of work then gets distributed onto the other platforms that you're doing. That causes those costs to rise, and also lose a lot of efficiency and you lose a lot of skill. So we have to think about that very holistically. And it is – you're right, it's a very complicated challenge. But it's part of – part of the work we have to do.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: Oh, clearly. And I think what I said either in that or in an interview I had, I talked about turning this on and off like a faucet. You cannot turn this on and off like a faucet. You have to be very, very thoughtful about it. And you're right, I think it's something like 51,000 jobs in 46 states are involved in the carrier production, and also the submarine production as well. And over 10,000 jobs down in Virginia alone. So these are decisions that have broad implications for those specific areas, but also for the entire industrial base of the United States and our shipbuilding capacity, which has already contracted substantially over the last 20 or 30 years. At the same time, our adversaries – who I don't need to name, but you know who they are – are investing in really growing theirs and have significant capacity now to ramp up if they need to.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: Well, exactly. And the Chinese have called themselves a near-Arctic country as well. And so they are also pouring resources into that area. And with the change in the climate in that part of the world, a lot more of that ocean is navigable. And so it's become incredibly important to us from two perspectives. One, on the strategic side, in terms of the ability of our adversaries to launch long-range attacks onto North American from there, but also just the commerce that's going to be flowing through there, which hopefully we will be a part of. And need to make sure that we can protect that as well. And it's a – it's a prospective battlespace that we hope will never become a battlespace. And we want to be able to keep that free, and open, and navigable so that we can extend our commerce and our prosperity.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: I certainly hope so. That's my goal. I would like to be able to have a pretty well-defined plan and vision for the Navy that will help inform the presidential campaign. And I'm hoping that we're able to have some good options on the table. We put a six-month timeline on the – on the carrier study, but I hope – it's going to be working in concert with the force structure assessment that's being performed by the deputy secretary of defense. And our teams are sort of – they're both – they're interspersed on both of those projects.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: Hopefully. I hope so. OK.

MR. BATCHELOR: (Off mic.)

SEC. MODLY: OK, take care. Bye-bye.

(END)